3: Roberts S-4 (no date)1951 ED1 Rumania ED1

Rumania and undoubtedly served to maintain agriculture in a depressed condition.[7] These, however, are general tendencies which, in theory at least, should adjust themselves in time; in the long run, and on the assumption of mobility in the factors of production, an equilibrium should be reached between agriculture and industry. But apart from such general factors, did the specific form of the development of Rumanian industry work to the disadvantage of agriculture?

A Yugoslav rural health worker, in describing the relations between town and country in the Balkans, concluded that agriculture was losing in the exchange of goods:[8]

> A survey undertaken in several rural countries on the nutritional status of the population showed that there exists undernourishment among a large number of the rural population, and that agricultural products are exported from rural countries without consideration of the nutritional requirements of the people. The reasons are purely commercial. The industrial products imported into the rural countries in exchange serve merely the urban population and industrial establishments from which the farming population derives comparatively small benefit. To cover their money requirements, the farmers owning small holdings are usually compelled to sell the best products of their farms to the town people. Thus they are helping the cities and industries, themselves remaining far in the rear in regard to sanitation, housing, health, and general education.

The Rumanian economist Manoilescu undertook to demonstrate that in the Rumanian trade triangle between countryside, town, and foreign market, the countryside received far less in the way of goods

7. Madgearu, *op. cit.*, p. 80:

(1929 prices = 100)

	Price of agricultural products	*Price of industrial products used by agriculture*	*Relation*
1929	100.0	100.0	100.0
1930	68.2	98.0	69.6
1931	50.8	86.6	58.7
1932	47.7	80.9	59.0
1933	44.9	81.1	55.4
1934	44.1	82.6	53.4
1935	48.4	90.2	53.7
1936	54.0	95.4	56.6
1937	64.6	101.8	63.9
1938	67.1	99.2	67.6
1939	72.7	112.5	64.6

8. Andreya Stampar, "Observations of a Rural Health Worker," quoted in *International Journal of Agrarian Affairs*, *1*, No. 1 (October, 1939), 71.

3: Roberts S-4 (no date)1951 EDl Rumania EDl

and services than it gave, the difference being gained by the towns.[9] According to these views, trade relations were actually detrimental to the rural areas, which were being drained by the towns and industries.

It is not necessary here to discuss the theoretical question whether there is any absolute disadvantage to the countryside in its commerce with the towns. If during a period of change toward industrialization the countryside's position declines in relation to the town, it is quite possible for a number of other factors—which may be "short term" or even noneconomic—to convert this relative disadvantage into an absolute loss in income. Such factors may include the inelasticity of agricultural supply, the immobility of agricultural labor, and the increase in agricultural population. Finally, governmental and political policies may favor industry at the expense of agriculture. This last point requires further elucidation, as it was quite important in Rumania.

Rumanian industry was created in the shelter of high protective tariffs, which undoubtedly served to increase the costs of agriculture and to benefit industry at its expense. These tariffs have been justified by the "infant industries" argument, and in part they were brought about by the agricultural protectionist policy of the European industrial states. But the combination of protectionism and the development of cartels did give industry a monopolistic position in the internal Rumanian market which worked to the disadvantage of agriculture. In addition to tariff protection, Rumania had a long tradition of direct encouragements to industry—such as exemptions from taxation and special transport rates—which persisted in the interwar period and were expanded in the 1930's.

The protective tariffs, by restricting foreign imports, had the effect of bringing in foreign capital for investment in local industry. But while foreign capital has been of great importance in the development of Rumania's larger industries and in the creation of its transportation system, the effect on the total economy has been somewhat one-sided, partly because the capital was naturally attracted to industries working for export: "Without depreciating the influence of foreign capital in stimulating industrialization, it is to be underlined that the benefits of invested foreign capital do not for the most part serve to create purchasing power in the national market

[113]

9. M. Manoilescu, "Das wirtschaftliche und soziale Dreieck der Agrarstaaten: die Stadt, das Dorf, das Ausland," *Internationale Agrarrundschau*, No. 6 (Berlin, 1940), also cited in Hugo Böker, "Agriculture's Share in the National Income and the Agricultural Situation," *International Review of Agriculture, 32*, No. 1 (January, 1941), 22. For a discussion of M. Manoilescu's views, see below, pp. 193–197.

342 352 THE CHARACTER of this house is of the simplest. The walls are whitewashed, the floors bare, and there is practically no furniture other than wooden beds and tables. The stoves are of porcelain, and wood or charcoal is used as fuel. The usual practice is for potters to share a kiln with their neighbours. The one illustrated here was the property of this particular house and was placed in its yard (Plate IV, B).

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[463] THE FIGURES given by the mayor show that there are 101 potters in Curtea de Argeş. We visited a good number and found that most of them live and work under conditions similar to those illustrated here. The potters for the most part occupy houses in one area of the town. A fine clay is found locally and can be had for nothing, but it must be collected by the potter himself. This clay he stores in his house (see upper plan on page 29).

THE POTS vary in design within a limited range. They are mostly of a buff colour, with the main part of the outside unglazed. The inside is glazed brown and the rim is usually covered with a bright green glaze, which makes the pots very attractive; some pots have splashes of green in parts or all over them. Most of the pots are marketed locally and can be bought at a low price. The pot is often made porous so that evaporation may keep the water cool. Pots are sent to other [438] places near Curtea, but are not sufficiently strong, we were informed, for long-distance transport.

341 NEW DEVELOPMENT in housing is making steady progress. Some houses are still being constructed on the traditional lines, half brick half timber, and the "eye" in the roof, which is common in the older houses, is not necessarily omitted in the modern roof; tiles, however, are replacing the shingle. The wooden balcony is disappearing in the larger type of house and is being replaced by a brick verandah. These brick verandahs are built with ornate columns, sometimes with elaborate capitals. The classical influence is, in fact, strong, for some houses have a pediment, and in one ambitious dwelling the capitals were gilded and the pediments contained gilded decorations. The simple wooden window frames are now little used, and are replaced by elaborate mullions. Wall decorations in elaborate stucco or stencil work and ornamental details on doors are a common feature of the new houses. Most of the new houses are detached and stand in their own gardens.

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1 [See pp. 286, HRIF pagination 32 -- Analyst]

owner's farm, where the cows are kept in sheds, and the sheep, which are more hardy, are penned on the arable land, particularly on the maize stubble. Both sheep and cattle are fed on fodder crops during the winter. The surplus animals are sold at the autumn fair, and form a source of revenue.

WHILST ON the high pastures the sheep are clipped twice, and the wool is divided amongst the peasants in proportion to the number of animals sent up. The cheese is usually shared by the owners of the animals in the same way, the mayor and his committee being responsible for the correct apportionment. In the Valley of the Argeş co-operative dealers from Bucharest frequently buy the cheese "in bulk" direct from the commune, and the monetary value is shared between the owners of the animals.

OXEN ARE used almost exclusively for draught purposes, the numbers kept in this district being somewhat in excess of the farmers' requirements, owing to their use for lumbering (see below).

PEASANT FARMING in the Valley of the Argeş is no longer entirely on a subsistence basis. Two factors have tended to modify it. Firstly, the position of the valley, opening as it does directly on the Wallachian Plain, with its rich grain lands and containing the capital Bucharest, has allowed commercial intercourse to develop. The Argeş peasant no longer cultivates wheat; he does not mind if his maize crop is good enough for fodder only, for he can buy both wheat and maize from the plain. Further, he finds a ready market and so a money income in Bucharest for his surplus fruit, particularly apples, and cheese. Secondly, the forests form a valuable asset to the peasant. During the winter felling takes place in the upper basin of the Argeş; in spring and summer the timber is transported, and work in the State mill in Curtea goes on all the year round. Practically every household has somebody working in the timber trade, and the money so earned (as much as 100 lei per day for a man supplying his own yoke of oxen) reduces the dependence of the family on the farm.

AT CURTEA DE ARGEŞ is the School of Agriculture, Regina Elizabeta. Although only a small percentage of its pupils is local, it is gradually influencing the farming of the neighbourhood. Experiments in cultivation, plant breeding and

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12: Kormos S-4, 5 (no date) 1944
ED1 Rumania ED1

[Moldavia]

133 and good pasture. The Sereth, which waters this region and runs parallel to the Pruth, flows into the Danube below Galati.

135 On the eastern slopes of the Carpathians there are large deposits of oil which have not yet been fully exploited. In the *comitat* Bacau, also in the mountain region of Moldavia, there are some valuable coal and salt mines. The salt mines of Targu-Ocna are the most important in the whole of Rumania.

311 The majority of the people of Moldavia are
438 employed on the land. They grow wheat, maize and sugar-beet and tend the vines. Recently, successful experiments have been made with the growing of industrial crops. Timber felling provides another source of income, especially at Targu-Neamt, Piatra-Neamt and Focsani. There are important refineries at Moinesti and Solont, sugar factories at Roman and Ripiceni, and large textile works at Buhusi.

361 The capital and economic centre of Moldavia is the town of Jasi, on the western bank of the Pruth. Its population numbers about 80,000, more than half of them Jews. Jasi, lying on a number of vine-growing hills overlooking the valley of the Pruth, is an old commercial centre, which used to be visited in the middle ages by Genoese, Venetian and Greek
[368] merchants. In Jasi, with its wide streets flanked by long rows of one-storied houses, there is the oldest Rumanian University, founded by John Cuza, a famous library containing over 160,000 books, and many other cultural institutions. Jasi has a number of iron and steel works, several clothing factories and is the chief marketing centre for cattle and wine in Moldavia.

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12: Kormos S-4, 5 (no date) 1944

EDI Rumania EDI

[The Crisana]

in the west and Czechoslovakia in the north. The inhabitants of the Crisana are Rumanians, Hungarians, Jews, Germans and some Slavs. Taken as a whole the province contains a slight Rumanian majority, but there is in the immediate frontier region a fairly homogeneous Hungarian population, which forms a local majority.

The western part of the Crisana has the same features as the lowlands of Hungary. The types of agriculture also closely resemble those of the rest of the country on both banks of the Tisza[H] (Theiss[G]). There are wide, flat fields of maize and wheat interspersed with pastures, grazed by horses and longhorn cattle. To the east the country rises and forms a chain of hills which produce good fruit and wine. Beyond are the mountains of Bihor (Bihar[H]) which form the western wall of Transylvania. These mountains are rich in coal, gold, copper, bauxite, asphalt and marble. Consequently this region maintains numerous industrial enterprises. Apart from its mineral resources and good wheat and maize the Crisana is also well known for its horses, cattle, pigs and sheep.

The capital of the Crisana is Oradea-Mare (Nagyvarad[H], Grosswardein[G]) in the valley of the Cris (Körös[H], Kreisch[G]). Its population of about 95,000 consists of Hungarians, Rumanians, Jews, Germans and others. Oradea is the junction for five railway lines and commands all the main communications leading from the Hungarian plain to Transylvania. The town is also the seat of many industries and the chief market for the agricultural produce of the province. Arad, on the northern bank of the Mures (Maros[H]), is inhabited by 65,000 people,

12: Kormos S-4, 5 (no date) 1944
ED1 Rumania ED1

[The Crisana]
[Maramures]

mostly Hungarians, and occupies a similarly important position. Here there are numerous factories, including mills, railway shops and locomotive works and textile factories. Satu-Mare (Szatmar[H]), with 60,000 inhabitants, is the largest town in the Northern Crisana.

After the Great War the Crisana, which was first occupied by the Hungarians in the tenth century and subsequently colonized by them, was awarded to Rumania. Under the Vienna Award of 1940 part of the Crisana was returned to Hungary, with a considerable Rumanian population.

By the same decision the province of Maramures (Marmaros[H]) (about 1,350 square miles), inhabited by over 150,000 people, acquired by Rumania in 1918, was returned to Hungary. Geographically Maramures is a continuation of the Czechoslovak province of Ruthenia. It is enclosed on all sides by chains of mountains covered with thick forests whose great density is rare even in the Carpathians, which are famous for their wealth of trees. It is not easily accessible except by a solitary railway line which comes from Transylvania and leads to Ruthenia. The small population consists of Ruthenians, Rumanians, Jews, Slovaks and Hungarians and is typical of the medley of races to be found in quite small areas of this part of Europe. Owing to the mountainous nature of the country there is little agriculture. The chief occupation of the inhabitants is the felling of trees. The most valuable asset of the province is its mineral wealth. There is oil, gold, copper, salt and coal. The capital and only major town of Maramures is Sighet (Marmaros-Sziget[H]) with a large Jewish population. Sighet, a town of

464 722 1941 there were 2,000 unemployed, while in December 1942, it was announced that the Office of Unemployment Statistics had been abolished, as there were no unemployed. Though Rumania's military mobilisation and losses have been extensive, her labour reserves are theoretically still considerable. On the other hand, there is no doubt that both industry and agriculture are suffering a noticeable labour shortage. This is attributable to the low level of mechanisation, internal economic organisation and to the cumbersome administration, so that comparison with western countries is impossible.

1. Agriculture.

464 241 The proportion of the working population engaged in agriculture is extremely high, so that military recruitment has been principally from this source. The structure of Rumanian agriculture, which is mainly peasant farming with a low output per head, has meant that the withdrawal of some 550,000 men has been more serious than it would have been in a country where more up-to-date methods are used, and the remaining labour supply is more mobile. The normal sources of supplementary wartime labour have been drawn on—*i.e.*, the temporary demobilisation of soldiers, employment of children during the summer holidays, and presumably an increased employment of women, although there is no evidence of women having been forcibly transferred to agriculture.

[727] The most valuable supplementary labour, however, has been the employment of Russian prisoners of war, and the demand for their services has exceeded the supply. The number employed in March 1942 was 40,000. These measures to improve the agricultural labour position do not as yet appear to have had much effect.

2. Industry

162 438 178 According to the latest official census figures (relating to the year 1930) 620,000 persons were employed in industry. The following table shows in column 1 the total number employed in the main branches, and in columns 2 and 3 the numbers working in factories employing ten or more people. A comparison between columns 2 and 3 gives an indication of the growing industrialisation of the country.

	1	2	3
	1930	1930	1937
Food	122,000	25,200	34,700
Textiles and Clothing	155,000	34,800	70,500
Metallurgy	101,000	32,000	49,500
Timber..	94,000	31,000	44,000
Mining	53,000	n.a.	n.a.

Allowing for the increased industrialisation during the years 1930–39, and for the general increase in the total population to some 20,000,000, it is estimated that by 1939 the number of industrial workers in Greater Rumania would have risen to some 750,000.

With the loss of part of the provinces of Transylvania, Crişana and Maramureş, Rumania suffered a fairly considerable loss in industrial workers, so that added to the expulsion of Jews, repatriation of Germans, etc., and military mobilisation, it is estimated that at the end of [468] 1942 the numbers engaged in industry would not exceed 550,000.

As in the case of agriculture, the structure of Rumanian industry tends to prevent a thorough rationalisation and concentration of the available industrial labour.

[55b]

CHAPTER XI

463 438 industrial labour. One-third of all workers engaged in industry are independent artisans, on whom the community is dependent for its services, but who do not play any important part in war production. In certain of the larger armament works German controllers have effected a considerable degree of rationalisation.

3. Mining

316 727 There is a shortage of miners; Russian prisoners of war have been employed in mining during 1942. Many miners were reported to have been included in the territory transferred to Hungary.

4. Armament Works

719 464 There is a general shortage of labour in metal and engineering factories, particularly of skilled labour. A 12-hour day was legalised at the beginning of 1942, but it is doubtful if in fact a 12-hour day is ever worked.

5. Timber

313 464 There is a shortage of labour, both for lumbering and for timber manufacture.

6. Textiles and Clothing

464 288 294 The total number of workers in these industries has probably fallen considerably, due to reduction of available raw materials. The delivery of supplies to individual mills seems to be somewhat erratic, and there is evidence of considerable part-time work. for instance in a survey of some 43 factories, in December, 1942, 11 were working full time, 21 on a reduced scale, and 11 at a very reduced scale.

7. Building

499 712 464 The extent of fortification building and general road and rail construction in Rumania is unknown, but in the second half of 1942 there was evidence of a scarcity of general labour for such projects, and of Russian prisoners of war working on rail construction.

438 464 [759] In the other branches of occupation, transport services, etc., there is no evidence of labour shortage, apart from doctors, many of whom have been mobilised for the army.

D. CONTROL OF LABOUR

1. The Youth Labour Service

466 883 A youth labour service founded on the German model was established in March 1941. The leaders were trained in Germany, but it was only in April 1942, that the labour camps began to function. Youths are called up in their 19th–20th year, and the period of service lasts 7 months.

(*See* Part II, Chapter V.B. for further details.)

2. Civil Mobilisation

466 A general civil mobilisation decree was passed in May 1941 by which (1) employment cards were introduced; (2) men and women aged 20-57 were liable to compulsory employment if not employed.

Two subsequent decrees were published in March and May 1943, one for the reorganisation of agriculture, forestry and fishing, and the second for the reorganisation of industry. Each of these decrees gave full powers to the appropriate authorities for the mobilisation and transfer of labour.

In addition to the general labour decrees which have so far had little influence on the labour situation, there have been regional decrees applying to individual localities, e.g. in Bessarabia, in February 1942, all the inhabitants aged 22-70 were called upon for compulsory agricultural labour unless already employed.